

Implemented Funding Increases

(FY2022 Appropriation Act - Public Act 87 of 2021)

December 31, 2021

Sec. 230. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.



**FY 2022 Department of Health and Human Services - Status of Programmatic Funding Increases
Section 230, 2021 PA 87**

Funding Increase Details		Implementation Plan	Status
Ongoing Funding			
K.B. vs. Lyon/Mi Kids Now - \$89 million gross, \$29 million GF/GP	<p>Funds have been utilized to develop cross-agency leadership oversight, project management team, and workgroup structure to support MI Kids Now planning and strategic policy plan. This includes two full time employees, with a plan to hire five more positions in the first quarter of 2022. These funds have also been utilized to obtain technical assistance via outside consultation, both from subject matter and public affairs experts, to support the MI Kids Now initiative. To-date, the department has allocated funds in five specific areas to support service expansion and access reforms:</p> <p>Expansion of Workforce at Child and Adolescent Health Centers: \$4,250,000</p> <p>Expansion of Family Training and Support Services: \$6,863,600</p> <p>Expansion of Youth and Family Peer Support Services: \$2,138,600</p> <p>Expansion and Improvement of Intensive Mobile Crisis Stabilization Support Services: \$2,363,600.</p> <p>Enhanced Behavioral Health support to youth pending or discharging congregate care/psychiatric hospitalization: \$4,145,256</p>	In Process	
Certified Community Behavioral Health Clinics – \$26.5 million gross, \$4.95 million GF/GP and 6.0 FTE's.	The CCBHC Demonstration went live on October 1, 2021. The department continues to provide technical assistance, monitoring, training, evaluation, and operational/policy refinements to ensure optimal implementation. Hiring of the 6.0 FTE's is in process.	Implemented	
Direct Care Wage Increase - \$414.5 million gross, \$146.1 million GF/GP	<p>Medicaid: Implemented - see Medicaid Provider Letter L 21-76</p> <p>Behavioral Health: The FY22 direct care wage increase funding was included in the monthly capitation rates paid to PIHPs.</p> <p>Aging: Guidance has been issued to the Area Agencies on Aging identifying eligibility for the direct care wage pay and how to request reimbursement.</p> <p>Child Caring Institutions: Providers were given instructions and needed materials on 12/1/21.</p>	Implemented/In Process	
Private Duty Nursing Rate Increase – \$2,472,400 gross, \$887,600 GF/GP	A 10 percent rate increase for Private Duty Nurses services for Medicaid beneficiaries under the age of 21 was implemented effective October 1, 2021.	Implemented	
Substance Use Disorder Program Increase - \$1.7 million GF/GP to increase SUD programming through Salvation Army Harbor Light (\$1.1 million) and recovery community organizations (\$600,000).	The contract amendment to increase substance use disorder programming through Salvation Army Harbor Light will be submitted in February 2022. A Request for Proposal was released on 11/12/2021 with a closing date of 12/21/21 to solicit grant applications from Recovery Community Organizations. Contracts will begin 2/1/2022.	In Process	
Michigan Child Care Collaborative (MC3) - \$1.4 million GF/GP.	MC3 funding agreements have been executed.	Implemented	
CMH Local Match Funding Phase-Out – \$5.1 million GF/GP	The local match statewide total paid to MDHHS from CMHSPs (\$15M) was reduced by \$5 million for the current Fiscal Year.	Implemented	
Five-Year Inpatient Psychiatric Plan – \$300,000 GF/GP.	The department is securing input from an appropriate consulting firm to do the work.	In Process	
Behavioral Health Community Supports and Services – increase of \$2.3 million gross, \$138,500 GF/GP and 2.0 FTE’s.	Program development to support and implement child-specific placements in the community to ease the waitlist at Hawthorn Center is in process. Development of formal Psychiatric Residential Treatment Facilities (PRTFs), including necessary system enhancements, is also in process. One of the two FTE's authorized has been hired to support implementation of PRTFs. The process of developing and implementing the Crisis Stabilization Unit (CSU) certification required by MCL 330.1971-1979 has been initiated through multiple stakeholder engagement sessions to develop an implementation plan for the CSU certification.	In Process	
Foster Care Prevention/Family First Prevention Services Act (FFPSA) – \$9.2 million gross, \$4.8 million GF/GP, and authorization for 18.0 FTE's	The position descriptions for the two prevention analyst FTEs are in development. Kinship support specialists have position descriptions and an implementation plan is being developed with the Business Service Centers. Requests for Proposals have been developed to implement SafeCare (\$3.0 million). Remaining funding for services (\$3.0 million) will be determined from recommendations from the service array task team.	In Process	
Healthy Moms, Healthy Babies/Home Visiting Expansion – \$6,770,000 gross, \$5,645,000 GF/GP and 1.0 FTE's	A comprehensive data analysis was completed to identify the top 10 communities that have high risk factors for substance use or high instances of substance use. The department has held conversations with the top 10 communities to share the community led exploration and planning process they will use to identify which of the eligible home visiting models they recommend to expand. This will incorporate information from the 2020 Statewide Home Visiting Needs Assessment. Communities are embarking upon the Exploration and Planning process currently and will be making recommendations of model expansion for MDHHS to consider within the next few months.	In Process	
Court Appointed Special Advocates - Increase by \$500,000 GF/GP.	The contract with Court Appointed Special Advocates was executed on 1/1/22.	Implemented	

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Kinship Care Pilot Program – \$1.5 million private funds.	A Request for Proposal was posted for bids and closed on 12/20/21. No bids were received. The Children's Services Agency is reaching out to agencies that attended the Proposal Meeting to determine what concerns, if any, there were. Based on the feedback, modifications will be made and put out for bid again. A revenue agreement is in process and is currently being reviewed by the funder.	In Process
Private Agency Foster Care Administrative Rate Increases to \$55.20 per diem for private agency foster care and a 12% increase to Independent Living program rates – \$21.3 million gross, \$9.9 million GF/GP.	Private Agency Foster Care and Independent Living rate increases took effect 10/1/21.	Implemented
Family Incentive Grants – Increase by \$1.0 million GF/GP.	Funding has been added to the existing program and implemented.	Implemented
Foster Care Closets - \$50,000 GF/GP.	A grant with Michigan Foster Care Closet is under development with a planned 2/1/2022 start date.	In Process
Private Agency Adoption Rate Increase from \$20 to \$23 per diem for cases with unmatched families (no cost settlement) – \$6.9 million gross, \$4.8 million GF/GP. <i>Sec. 570 is related boilerplate.</i>	A \$3 per diem rate increase for cases with unmatched families was implemented 11/29/21 with an effective date of 10/1/21. Discussion with the legislature regarding the scope of the boilerplate language and intent is ongoing and estimates are being developed to identify cost if the interpretation of the language is expanded to include all cases.	Implemented
Child Legal Representation Program - \$500,000 GF/GP.	The department is consulting with Kent County and Bay County to support them through tasks needed to provide this funding.	In Process
Immediate Assistance for Urgent Needs - \$50,000 GF/GP.	A communication was issued to the field regarding availability of funds beginning 12/1/21.	Implemented
Raise the Age – \$29.1 million gross, \$24.2 million GF/GP	MiSACWIS updates were made to record and process Raise the Age (RTA) related expenses in the Child Care Fund (CCF) module. Additionally, chargeback changes were made to ensure RTA youth were excluded from reports and that counties were not charged for MDHHS youth. Finally, the RTA Fund was established for counties to request non-CCF reimbursement.	Implemented
Homeless Programs Increase - \$800,000 GF/GP.	MDHHS contracts with The Salvation Army - Eastern Michigan Division to administer the Emergency Shelter Program (ESP) program. The additional \$800,000 of funding received for FY22 has been added to The Salvation Army's contract for distribution to ESP providers to cover costs related to direct services to persons experiencing homelessness.	Implemented
Diaper Bank Assistance Grant - \$250,000 TANF.	Communication with the Community Action Agencies has been initiated. A final allocation chart is being developed. Contracts will be created with a start date of not later than 2/1/2022.	In Process
Medicaid Redetermination Compliance – \$20.9 million gross, \$9.2 million GF/GP.	The Public Health Emergency (PHE) has been extended through January 16, 2022. In order to qualify for the 6.2 percentage point bump in the state's Federal Medical Assistance Percentage (FMAP), states must maintain their Medicaid eligibility levels and enrollment procedures that were in effect as of January 1, 2020 and keep individuals who were covered by Medicaid continuously covered until January 31, 2022. Overtime use for Medicaid redetermination is in a holding pattern until Michigan and other states are given notice that the Public Health Emergency is terminated.	In Process
Legal Services Association of Michigan – \$325,000 GF/GP	A contract with Legal Services Association of Michigan is in place.	Implemented
Audit staff increase, 3.0 FTE's - \$450,000 gross and \$237,000 GF/GP.	The position descriptions are in the process of completion. It is anticipated that these positions will be posted and the hiring process will begin in January 2022.	In Process
Aging Community Services – \$1.0 million additional federal funds.	After the books are closed for FY21, balances left by Area Agency on Aging (AAA) by grant will be determined and awarded in agreements for FY22.	In Process
Aging Nutrition Services – \$3.5 million additional federal funds	After the books are closed for FY21, balances left by Area Agency on Aging (AAA) by grant will be determined and awarded in agreements for FY22.	In Process
MiChoice Expansion – \$19.1 million gross, \$6.3 million GF/GP.	1,000 slots and additional funding were added to the FY 2022 initial contracts.	Implemented
Outstate Local Community Dental Clinics – \$200,000 GF/GP funding increase.	Additional GF will be utilized to fund reimbursement through the Dental Adjustor Payment Program.	In Process
Sickle Cell Disease – \$6.65 million gross and GF/GP and 2.0 FTE's.	Sickle Cell eligibility expansion for individuals age 21 and older has been implemented. Current efforts focus on raising awareness to this eligibility expansion. A contract with Sickle Cell Disease Association of America-Michigan Chapter has been executed. A Request for Proposal has been initiated for additional clinical sites.	Implemented
Van Andel Institute – \$1.0 million GF/GP.	Contract development with the Van Andel Institute is in process and an agreement will be established between the department and the Institute to be used for matching federal funds, private and nonprofit grants, and private contributions.	In Process
Specialty Medicaid Managed Care Health Plan for Foster Children – \$500,000 GF/GP for an actuarial analysis.	The contract with Milliman for actuarial and consulting support is being amended. Discussions are beginning in January 2022 between Milliman and internal MDHHS stakeholders to develop a plan.	In Process
Medicaid Ambulance Rate Increase to 100% of Medicare - \$54.3 million gross, \$12.9 million GF/GP increase.	The rate increase was implemented effective 11/1/21.	Implemented
MiDocs – \$1.3 million GF/GP increase.	In Process (MiDocs payments are typically made once per year - late spring / early summer).	In Process
Legal Services – \$12.3 million GF/GP Legal services related to Flint water emergency.	Contracts are in place for paying the legal counsel for their work defending employees in lawsuits related to the water system of a city.	Implemented
Human Embryo Constitution Provisions – \$100,000 GF/GP.	The department is gathering additional information about the intent and purpose of this funding.	In Process

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Additional private funds HIV/AIDS program - \$9,414,500 gross and 18.0 FTE's	The private funds are being used to hire staff, for two major information technology projects (SHOARS - a Customer Relationship Management software solution to manage and improve communication with stakeholders, and MiDASH - an integrated data application for STI and HIV) and a variety of projects including chronic disease management programs, housing programs, media, and supplemental health and medication programs for people living with HIV.	In Process
Vital Records - \$600,000 GF to cover increased costs related to PA's 53 and 54 of 2020 for free vital records to county offices.	New funding is being used for staff positions that directly support prompt provision of birth certificates to local registrars as required under PA 53 and PA 54 of 2020, as well as to support ongoing maintenance, operations, and improvements to information technology systems providing service to the public.	Implemented
Stroke and STEMI Care Initiative – \$3.0 million GF/GP.	The implementation of system of care is in process. Initial steps will begin with hiring the team of individuals who will make-up the Systems of Care section including a Section manager, financial analyst, epidemiologist, and regional coordinators to assist with establishment of the regional networks. The foundation pieces of the system that integrate into the existing trauma system will be crafted with stakeholder input. Committees are forming and a schedule is being drafted. The work will be guided by the document published in 2020, "A Statewide System of Care for Time Sensitive Emergencies." SOC Whitepaper Final AB 5-25-21	In Process
Immunization Public Information – \$50,000 GF/GP.	The department is producing the report on state immunization policy and practices by April 15th. Upon completion, it will be sent to warehouse for printing and distribution to providers, stakeholders, and the general public free of charge.	In Process
Oral Health Assessments for Children – \$3.26 million gross, \$260,000 GF/GP, 1.5 FTE's.	The allocation formula for local health departments (LHDs) has been developed. Health appraisal form revisions have been completed. A survey was sent to LHDs regarding capacity to complete the oral health assessments. Contracts will be established in early 2022, with a Spring 2022 target implementation date.	In Process
General Information Technology Support – \$7.0 million GF/GP.	N/A - funding was needed to solve a structural deficit in information technology appropriations.	Implemented

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One-Time Funding			
Behavioral Health Patient Health Information Tool - \$600,000 GF/GP.		Funding was eliminated in 2021 PA 133.	N/A
Community-Based Health Care Entity - \$1.0 million GF/GP.		Contract development with Access Health is in process and an agreement will be established between the department and Access Health to be used for a low-income worker health care coverage program in Muskegon County.	In Process
Complex Medical Condition Center - \$5.0 million GF/GP.		The department met with the Children's Healing Center on 12/2/21 to discuss the contract; contract development is in process.	In Process
Dementia Unit - \$400,000 GF/GP.		The department met with the Alzheimer's Association to discuss the intent of this one-time funding. It was determined that it was to be used for DHHS staffing, however staffing cannot be supported with one-time funding. Discussions are ongoing.	In Process
First Responder and Public Safety Staff Mental Health – \$2.5 million GF/GP.		The department executed a grant agreement with Wayne State University for \$1 million and submitted a contract amendment request with Common Ground to implement the First Responder work in early 2022.	In Process
Free Health Clinics - \$250,000 GF/GP.		The application deadline was 11/30/21 to determine eligible clinics, subsequent agreement documents are in process, with an expected March 2022 implementation date.	In Process
Healthy Communities Grant - \$300,000 GF/GP.		A contract with Leaders Advancing and Helping Communities has been executed for FY22.	Implemented
Home Health and Safety Pilot – \$5.0 million GF/GP.		A planning process for a Deferral Reduction Pilot Program included several stakeholder meetings to determine program components and regulations around establishing the program. The department met with the Community Action Agency network, the Michigan Community Action State Association, the weatherization leadership team, and the Energy and Water Reduction workgroup. Several internal planning meetings have occurred to develop the program and to establish goals. In addition to the meetings, MDHHS initiated a capacity survey for the weatherization managers to complete to help develop the allocation chart. The survey results were analyzed, and the information is being incorporated into the program. MDHHS staff is working on developing policy, creating procedures, identifying reporting, setting up monitoring tools, and creating an application service plan packet for the weatherization operators to administer the program. Contracts have not been established yet. A start date of 2/1/2022 is expected.	In Process
Hospital Behavioral Health Pilot (McLaren Greater Lansing) - \$4.5 million GF/GP.		The department is in discussions with the grantee and the contract requisition process is moving. It is anticipated that the agreement will be executed by February 2022.	In Process
Hospital Infrastructure Improvements - \$2.8 million GF/GP.		The grant agreement with Sheridan Hospital was executed on 1/4/2022.	Implemented
Human Trafficking Victim Services Expansion Pilot - \$500,000 GF/GP.		A Request for Proposal for these funds will be released in January 2022. It will be a competitive bid in two areas 1) expanding availability of Human Trafficking services, and 2) providing pilot funding for emerging Human Trafficking projects.	In Process
Initiatives to Reduce Health Disparities - \$8.375 million gross, \$5.125 million GF/GP.		Through the development of the MDHHS Social Determinants of Health (SDOH) Strategy, planning is underway to implement strategies to support the reduction of health disparities. The focus areas of the SDOH strategy are food security, housing stability, and health equity. In February, a portion of the funding will be dispersed to support community driven solutions like a close loop referral pilot and community navigator-like solutions to reduce barriers for underrepresented and underserved populations. The department is also working on a Request for Proposal to support collaboration of regional stakeholders for capacity building and system change through community driven solutions.	In Process
Jail Diversion Fund - \$5.0 million GF/GP.		Discussions are under way with the Mental Health Diversion Council to determine the most appropriate distribution and utilization of funding.	In Process
Kids' Food Basket – \$525,000 GF/GP.		A FY22 contract with Kids Food Basket has been initiated to administer this funding.	In Process
Lead Poisoning Prevention Fund – \$10.0 million GF/GP.		The department has completed a Request For Proposal and identified Michigan Saves as the Lead Fund Administrator. A stakeholder engagement strategy for potential contractors, fundraising, partners, and loan product consumers is being implemented. The project plan with Michigan Saves to begin dispersing loan products in April 2022 is being finalized.	In Process
Legal Assistance – \$20,000 GF/GP.		The FY2021 contract with the Allegan County Legal Assistance Center was amended to carry forward until 2/28/2023 to allow for spending down of the original budget of \$60,000. An amendment is in process for the FY2022 addition of \$20,000 which is for operating costs associated with providing the legal services.	In Process
Long-Term Care Facility Supports – \$37.5 million gross.		Nearly all of this funding has been distributed to Skilled Nursing Facilities (SNF) for Nursing Home Support. The department is awaiting documentation from a very small number of SNFs to distribute a small amount of remaining funds.	Implemented
Michigan Medicaid Information System - Electronic Visit Verification \$16 million gross and \$1.6 million GF/GP (one-time funding) and 15 FTEs - \$1,622,000 million gross, \$811,000 GF/GP (ongoing).		The project is currently in the Request for Proposal stage and the department is working towards a January 2023 implementation date.	In Process
Michigan Medicaid Information System - Home Help Payments – \$5.0 million gross, \$500,000 GF/GP.		The project is underway for upgrades and additions to existing systems Adult Services Automated Payments (ASAP) and Michigan Adult Integrated Management System (MiAIMS), with an expected implementation date of March 2023.	In Process
Michigan Medicaid Information System -Technology Upgrades– \$18.0 million gross, \$2.15 million GF/GP.		MMIS upgrades are in the planning process. MC-Track is in the planning/discovery phase; implementation is geared towards the MiKids Now initiative.	In Process

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MISACWIS Upgrade to CCWIS – \$16.8 million gross, \$8.7 million GF/GP, 6.0 FTE's.	The overall CCWIS Project (Replacement of MISACWIS) is planned to extend through 2025. This one-time FY 22 funding is currently being used: 1) To complete the RFP for IT Development of the remaining CCWIS modules. 2) Business Process Redesign (BPR) & Human Center Design (HCD) for the CCWIS foundation, Intake and Investigation modules. The Statement of Work is in progress. The estimated completion date is September 2022. 3) Completion of the Licensing Module, which will be implemented in May 2022.	In Process
Multicultural Integration Funding – \$4.4 million.	Proposals are being solicited from Arab Community Center for Economic and Social Services (ACCESS), Arab American and Chaldean Council (ACC), The Jewish Federation of Metropolitan Detroit and Chaldean Community Foundation for the funding.	In Process
Narcotics Awareness Program - \$4.0 million GF/GP to Families Against Narcotics.	The contract with Families Against Narcotics began 12/1/2021.	Implemented
Nonprofit Mental Health Clinics – \$200,000 GF/GP.	A \$33,500 placeholder contract is in place with Children's Center of Wayne County: Counseling for Underserved Youth for \$33,500. The contract will be amended to \$100,000. The FY21 \$100,000 contract with Mosaic Counseling will be extended for FY22.	In Process
Northern Psychiatric Residency Program - \$5.2 million gross, \$2.6 million GF/GP.	The department plans to use this funding to help the three northern Michigan hospitals get accreditation and set up their own psychiatric residency programs. Funding will only be for the one-time set up costs financed with State GF/GP. The department will not be pursuing a federal match or Medicaid approval.	In Process
Nurse Practitioner Expansion Pilot - \$1.573 million GF/GP.	The department is working with Wayne State University to amend their work plan and budget. Wayne State University plans to begin enrolling students for the January 2022 semester.	In Process
Primary Care and Wellness Services - \$1.0 million GF/GP one-time funding.	The department has reached out to the Team Wellness Center and is in the process of executing the grant agreement to address facility needs and services.	In Process
Senior Citizen Center Grants – \$150,000 GF/GP.	A Request for Proposal for Senior Centers to apply for the grant was released and is now closed. The applications are being reviewed and grantees will be selected. The proposed grant projects will go before the Commission on Services to the Aging for approval in January. Upon approval, approved grantees will receive grant agreements for their grant and can begin implementing.	In Process
Special Olympics Capital Improvements – \$1.0 million GF/GP.	A \$375,000 placeholder contract is currently in place with Special Olympics. The contract will be amended in February after the FY21 books are closed and solid final balances can be added to current year contracts.	In Process
Special Residential Care Facility - \$300,000 GF/GP.	The grant agreement with St. Louis Center is in process and is expected to be completed in February 2022.	In Process
Statewide Health Information Exchange Projects – \$17.5 million gross, \$1.75 million GF/GP.	A project plan is being developed; the department is working towards a planned February 2022 implementation date.	In Process
Substance Abuse Community and School Outreach – \$250,000 GF/GP.	Funding has been added to a contract with SAFE Substance Use Coalition. Contractor is currently completing their Amendment.	In Process
Traumatic Brain Injury - \$5.0 million.	This initiative has been on hold pending resolution of boilerplate not specifically naming the intended vendor however this was remedied in PA 133 of 2021, which was enacted on 12/21/2021. The process to execute the agreement will begin in January 2022.	In Process
Unified Clinics Resiliency Center for Families and Children – \$750,000 GF/GP.	A \$100,000 placeholder contract is in place with Unified Clinics Resiliency Center for Families and Children. The contract will be amended in February after the FY21 books are closed and solid final balances can be added to current year contracts.	In Process